

Kia Corporation 2023 Q3 Business Results

October 27, 2023



Movement that inspires

Note to Investors

This presentation has been prepared with unaudited results of Q3 FY2023 for investors' convenience. Therefore, some numbers are subject to change upon review of Kia's independent auditors.



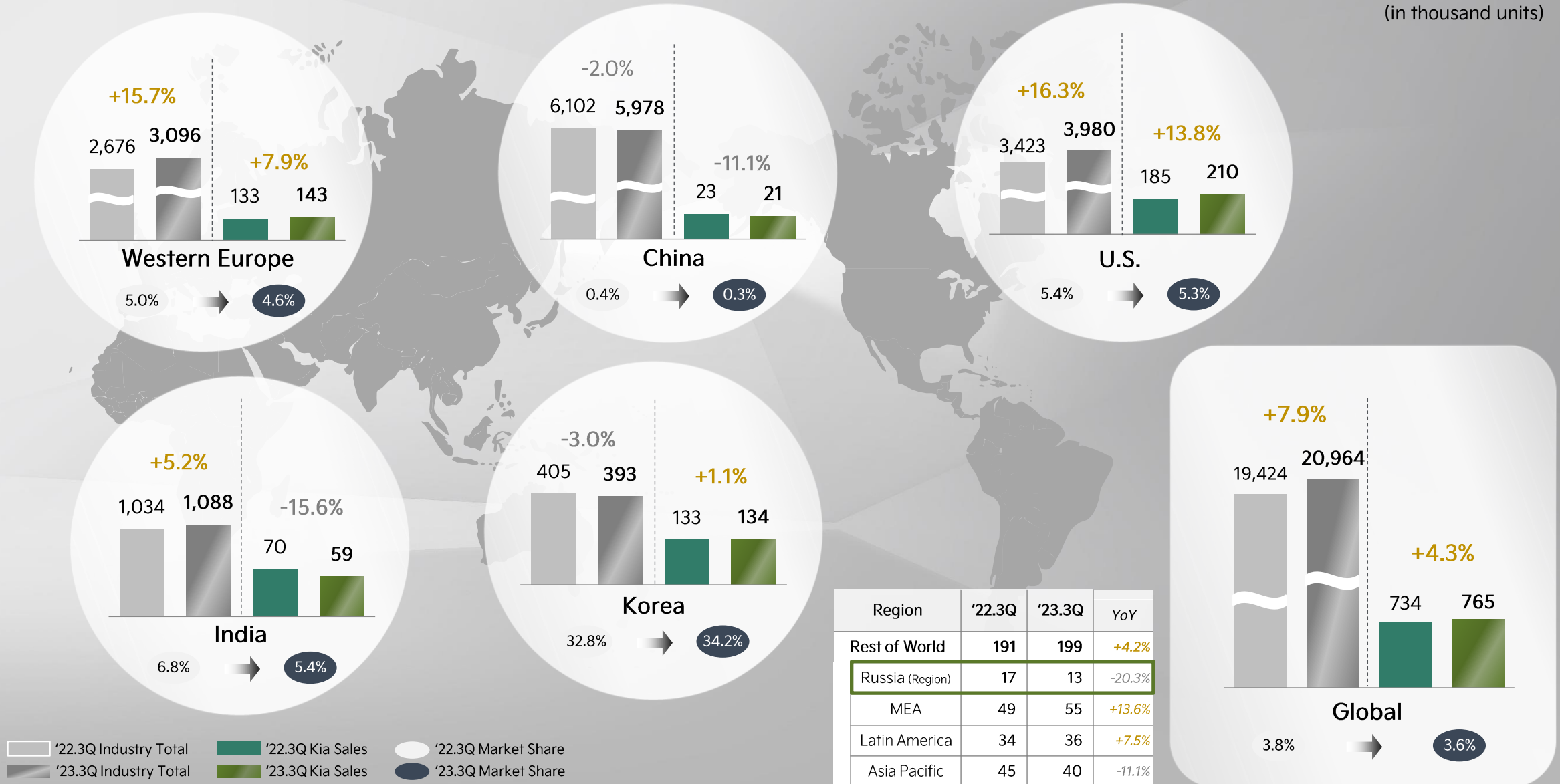
Movement that inspires

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Global Retail Sales (Q3)

(in thousand units)



* Western Europe industry demand : ACEA, China/India sales : Wholesale ※ CKD / Special Vehicles Included

Wholesale by Region (Q3)

(in thousand units)	'22.3Q	'23.3Q	YoY (%)
Wholesale	752	778	+3.5%
Korea	133	134	+1.1%
North America	231	266	+15.0%
U.S.	191	217	+13.5%
Europe	141	152	+8.3%
Western Europe	131	144	+9.6%
India	70	59	-15.6%
China	23	21	-11.1%
Russia & CIS	14	13	-7.3%
MEA	52	56	+7.4%
Latin America	39	39	-0.8%
Asia-Pacific	48	38	-21.9%

※ CKD / Special Vehicles Included

※ Special Vehicles : '22.3Q 1.3k units (Korea 0.7k units, Export 0.6k units) → '23.3Q 1.4k units (Korea 0.5k units, Export 0.9k units)

Consolidated Income Statement (Q3)

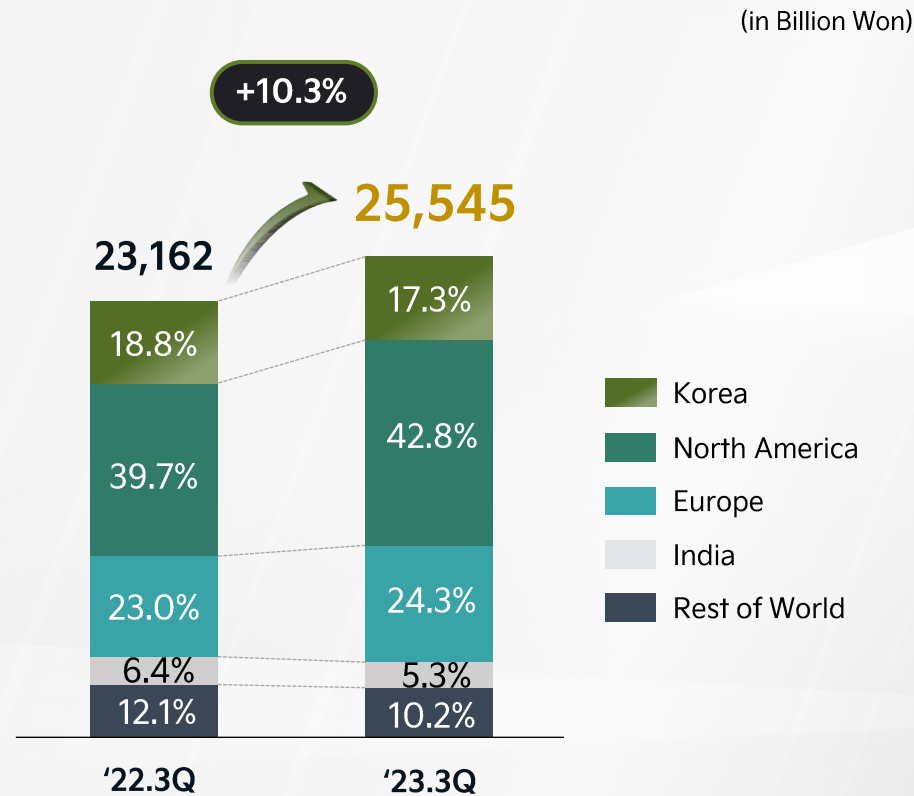
(in Billion Won)	'22.3Q	(% of sales)	'23.3Q	(% of sales)	YoY (%)
Sales Revenue	23,162	100%	25,545	100%	+10.3%
Cost of Sales	18,463	79.7%	19,686	77.1%	+6.6%
Gross Profit	4,698	20.3%	5,860	22.9%	+24.7%
SG&A	3,930	17.0%	2,995	11.7%	-23.8%
Operating Profit	768	3.3%	2,865	11.2%	+272.9%
Pre-tax Profit	730	3.2%	3,327	13.0%	+355.7%
Net Profit	459	2.0%	2,221	8.7%	+384.0%

※ Consolidated Sales Units : '22.3Q 704,872 units → '23.3Q 717,365 units (+12,493 units, +1.8%)

※ Average Currency Rate : USD/KRW '22.3Q KRW 1,338 → '23.3Q KRW 1,311 (-KRW 27 ↓, -2.0%), EUR/KRW : '22.3Q KRW 1,348 → '23.3Q KRW 1,428 (+KRW 80 ↑, +6.0%)

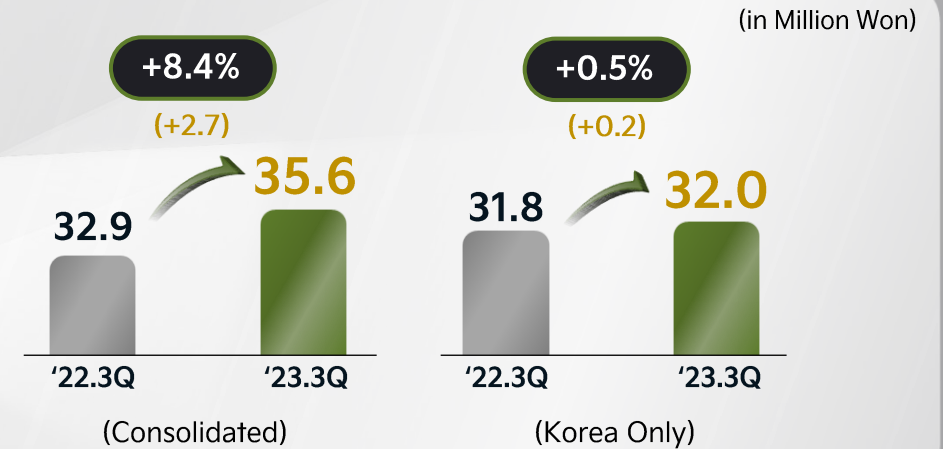
Revenue Analysis

Revenue by Region

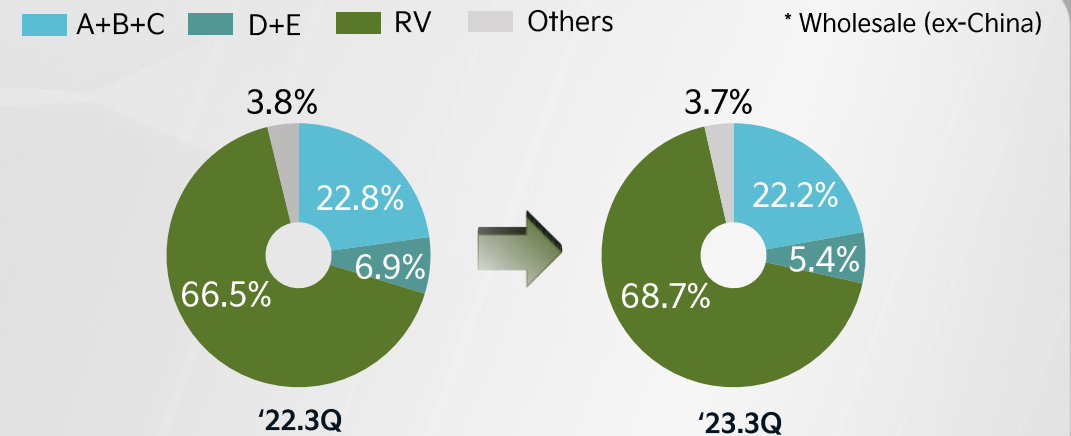


- * Korea : Kia HQ Korea domestic revenue
- * North America : US, Canada, Mexico wholesale revenue + export revenue
- * Europe : Europe, Russia wholesale revenue + export revenue
- * India : India wholesale + export revenue
- * Rest of World : Kia HQ direct export revenue, Asia-Pacific wholesale revenue

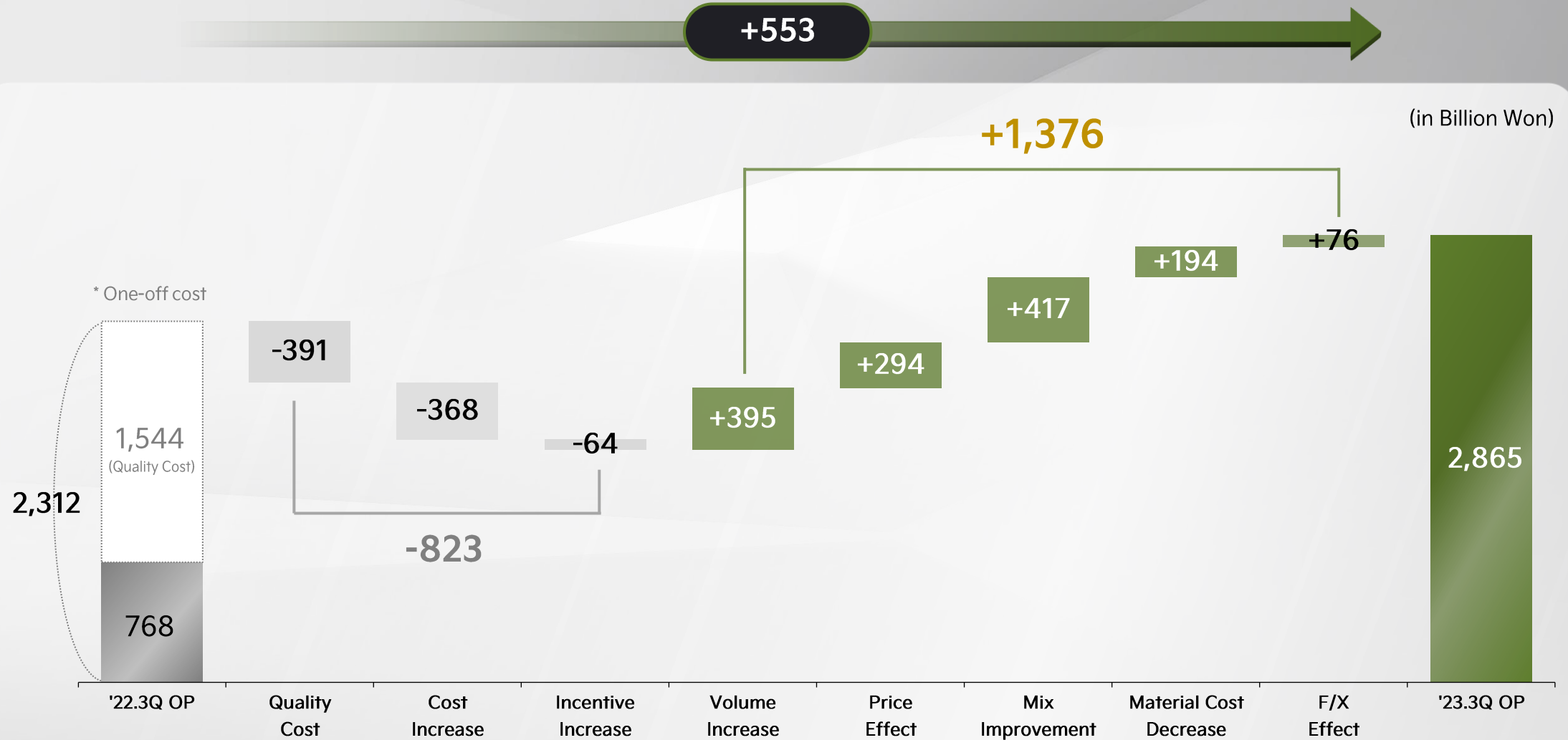
ASP



Sales by Segment



Operating Profit Analysis (Q3)

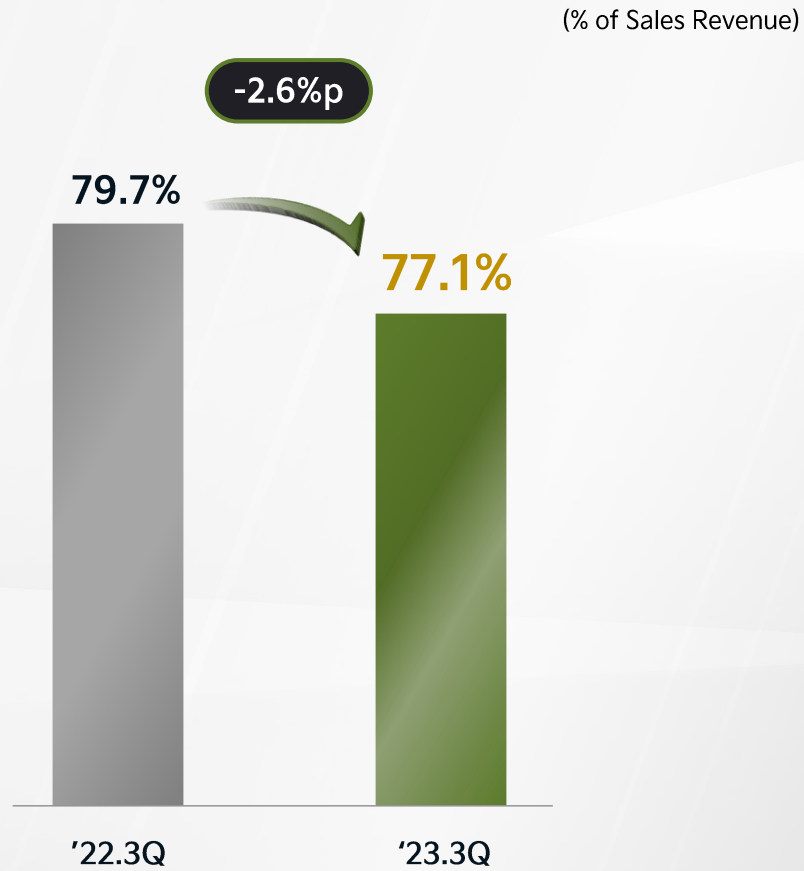


※ One-off cost : '22.3Q provision of KRW 1.544 trillion related to the Theta-engine

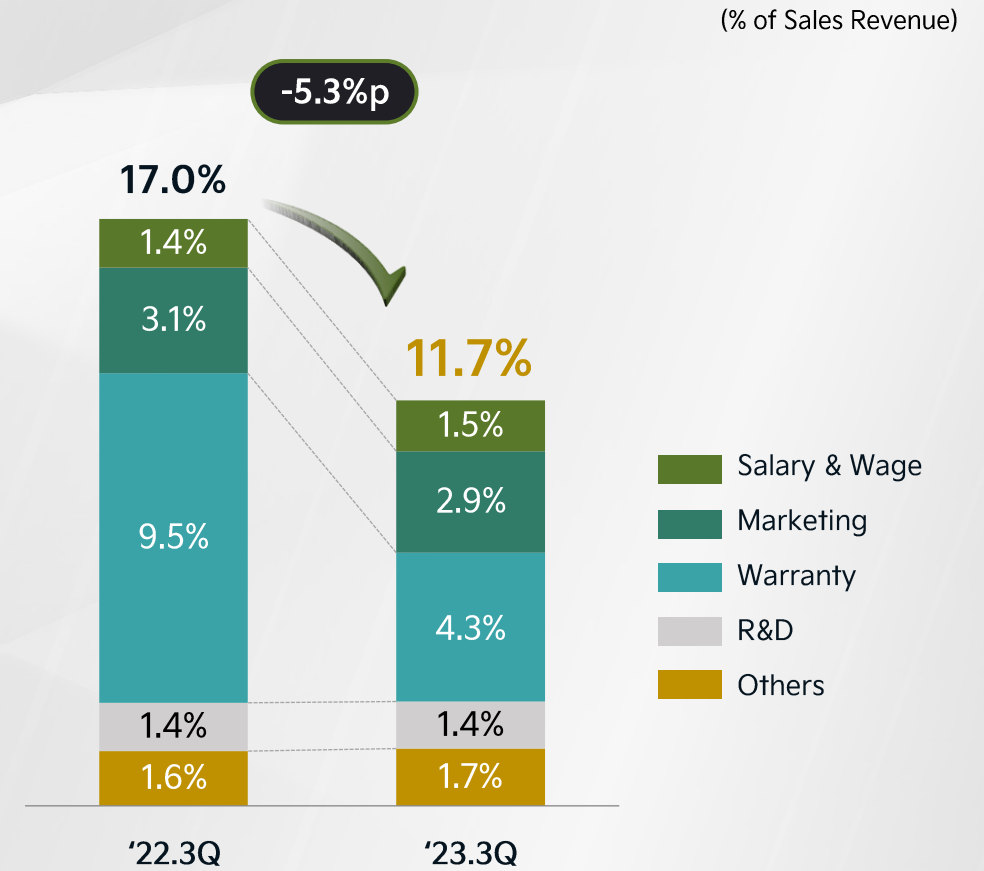
COS & SG&A



Cost of Sales



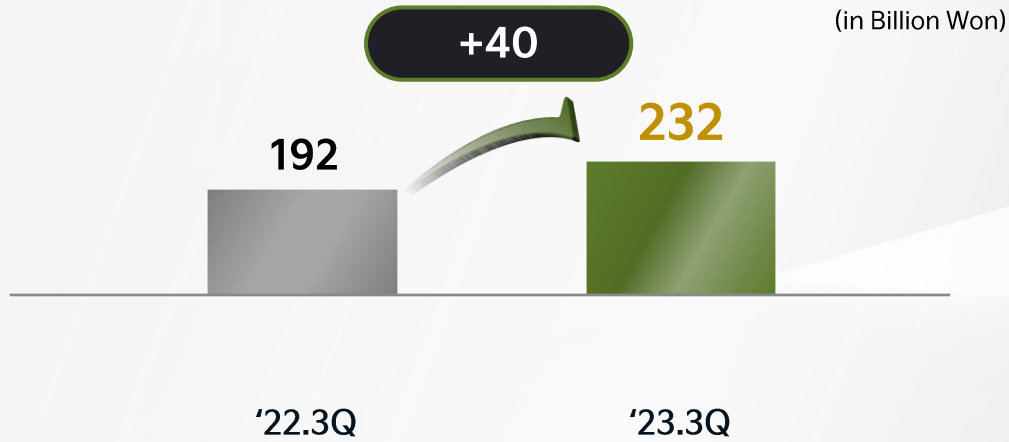
SG&A



* Marketing Expenses :
Advertising + Sales Promotion + Overseas Marketing + Sales Commission

Non-Operating Items

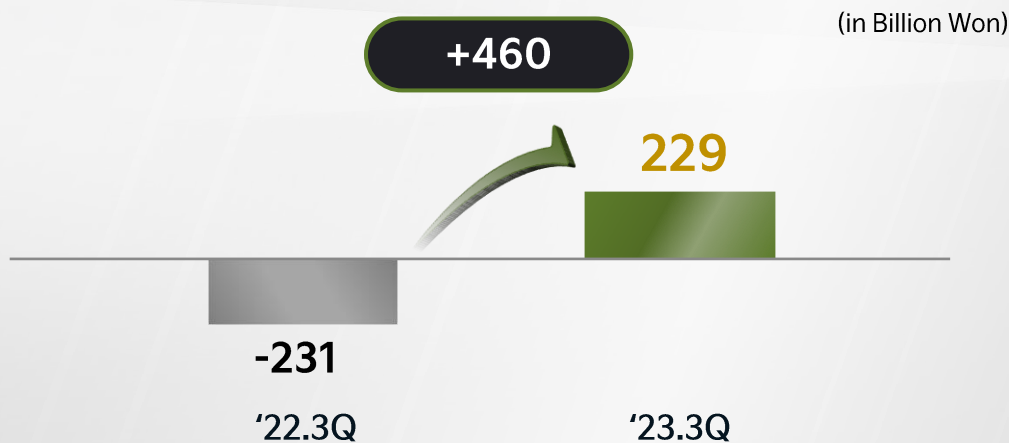
Equity Earnings (a)



Non-OP Income (a+b)



Financial & Other Income / Expense (b)



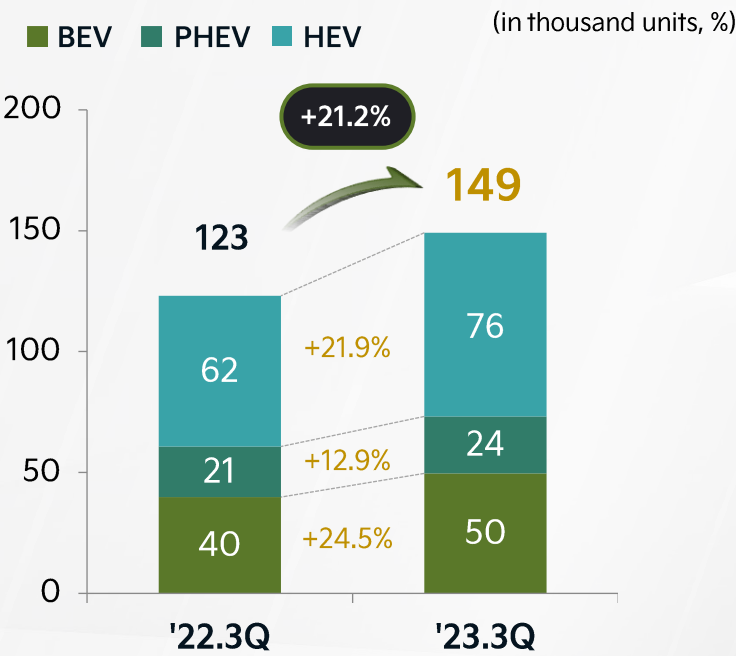
Consolidated Balance Sheet

(in Billion Won)	2022 Year-end	'23.3Q-end	Change
Asset	73,711	81,644	+7,933
Current Asset	34,147	38,802	+4,655
*Cash (a)	19,398	22,274	+2,876
Liability (b)	34,368	36,298	+1,930
Current Liability	25,378	27,465	+2,087
Debt (c)	7,473	4,370	-3,103
*Net Cash (a) - (c)	11,925	17,904	+5,979
Equity (d)	39,343	45,346	+6,003
Liability to Equity Ratio (b)/(d)	87.4%	80.0%	-7.4%p

* Cash = Cash & Cash Equivalents + ST Financial Instruments + ST Available-for-sale Financial Asset

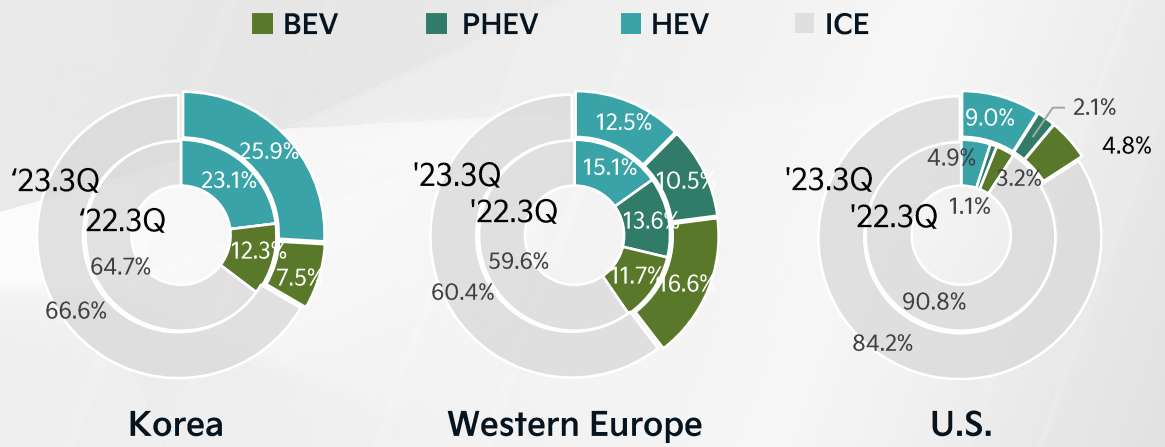
Green Car Sales Summary (Q3)

Global Sales (Retail)

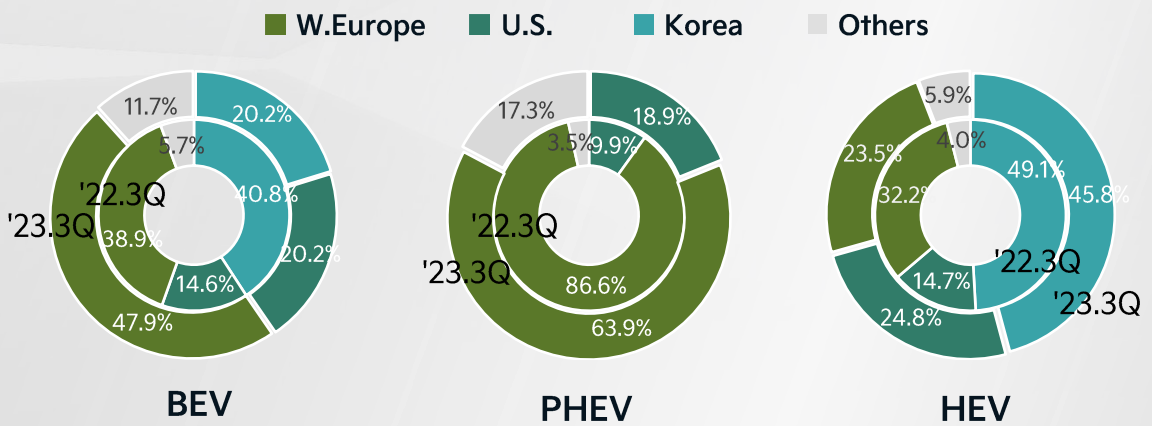


% of Sales	'22.3Q	'23.3Q
HEV	8.5%	9.9%
PHEV	2.8%	3.1%
BEV	5.4%	6.5%
ICE	83.2%	80.5%
Total Sales	734k units	765k units

Green Car Sales Contribution in Major Markets



Market Division of Green Car Sales by Type

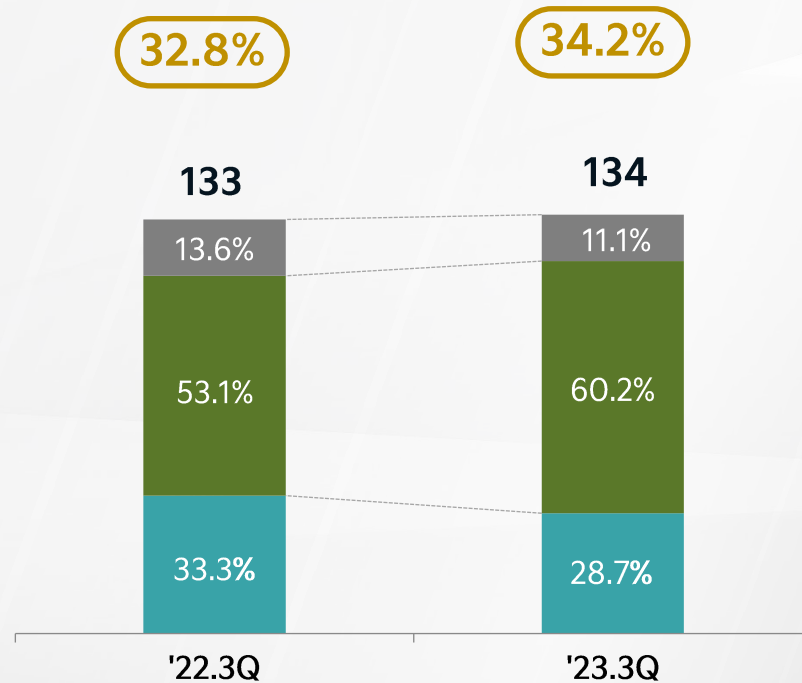


Appendix

- Sales Performance by Market (Korea, U.S., Western Europe, India, China)
 - Global Retail Sales (Q3 YTD)
 - Consolidated Income Statement (Q3 YTD)
 - Global Market Share Trend
 - Cash Flow Highlights
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Sales & Market Share

■ CV ■ RV ■ PC ○ M/S (in thousand units)



※ Including imported brands

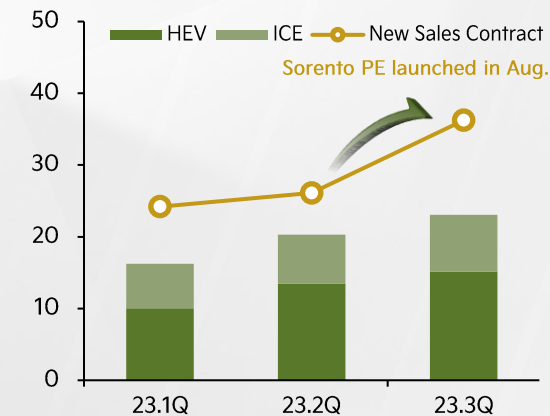
Sales Summary

Industry -3.0%

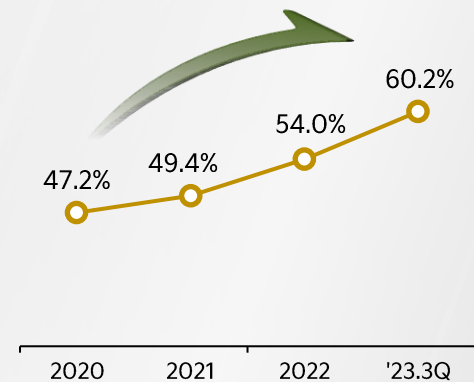
[YoY]

Kia +1.1%

Sorento Sales Trend



RV Contribution Trend



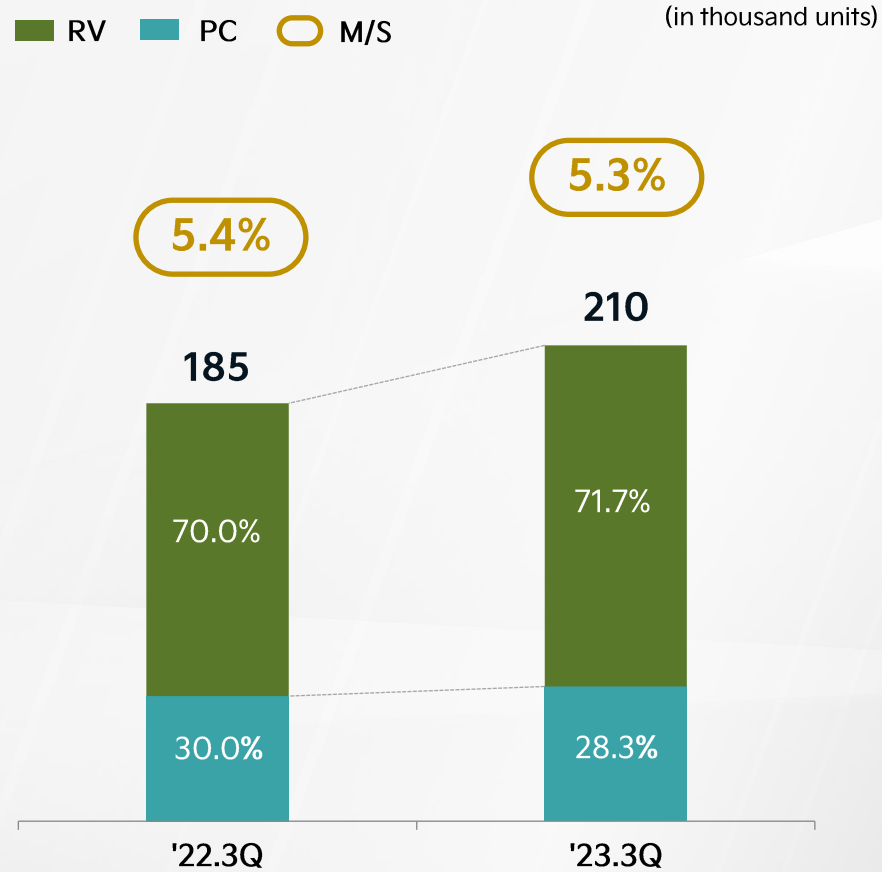
Q3 Results

- Maintained sales momentum with successful PE launches (Sorento)
- Record-breaking RV shares of 60.2% contributing to the sales mix
- ['22] 54.0% → ['23.1Q] 55.3% → ['23.2Q] 58.9% → ['23.3Q] 60.2%

Initiatives

- Continue momentum with PE launches of volume models (K5, Carnival)
- Promote EV Sales Festa in conjunction with govt's subsidies
- Launch CPO program to strengthen L/C management
(Certified Pre-Owned)

Sales & Market Share



Sales Summary

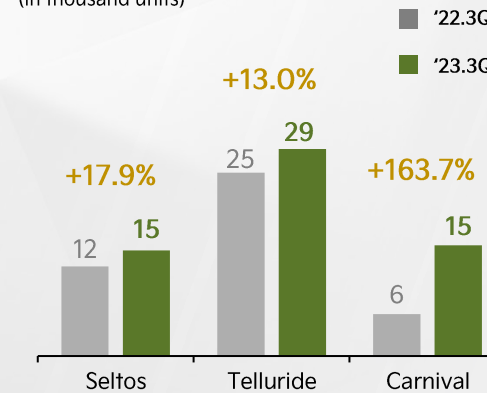
Industry +16.3%

[YoY]

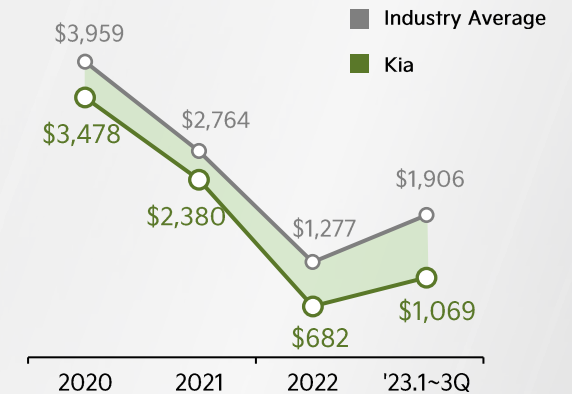
Kia +13.8%

Sales of Key Models (YoY)

(in thousand units)



U.S. Incentive Trend (Source: Autodata)



Q3 Results

- Continued sales growth with RV focused sales performance
- RV share : '22.3Q 70.0% → '23.3Q 71.7% (+1.7%p expansion)
- Maintained the lowest level of incentive in the industry

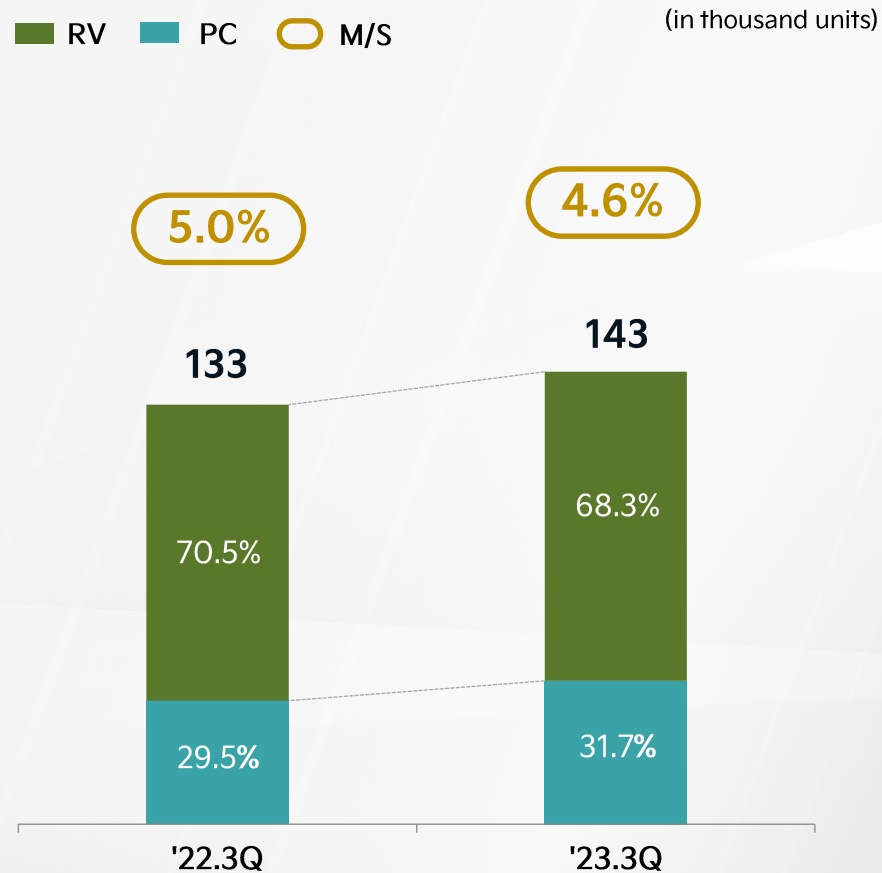
Initiatives

- Promote profitable growth with high-margin RV models
- RV share : ['23.1~3Q Actual] 72% → ['23.4Q Target] 74%
- Marketing campaigns (test drive, LA Auto Show, Super Bowl ads) for a successful launch of EV9 (Production: Oct, Launch: Nov)

Western Europe



Sales & Market Share



Sales Summary

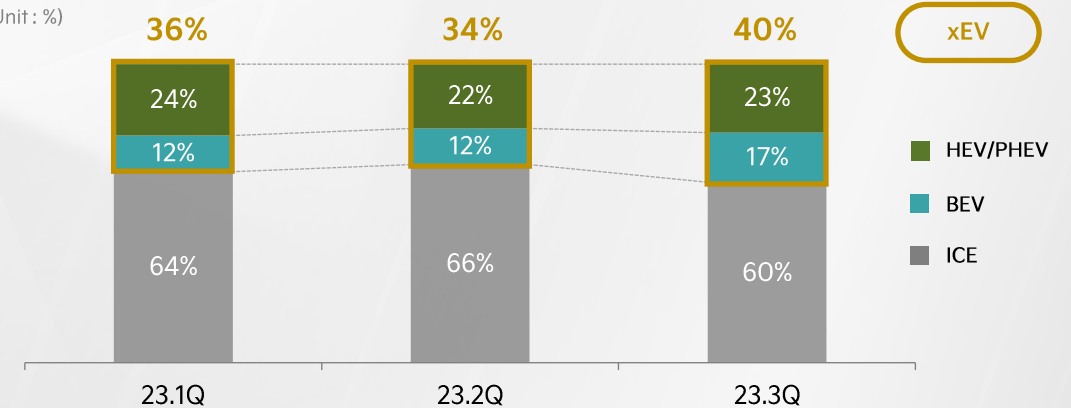
Industry +15.7%

[YoY]

Kia +7.9%

Green Car Sales Contribution

(Unit : %)



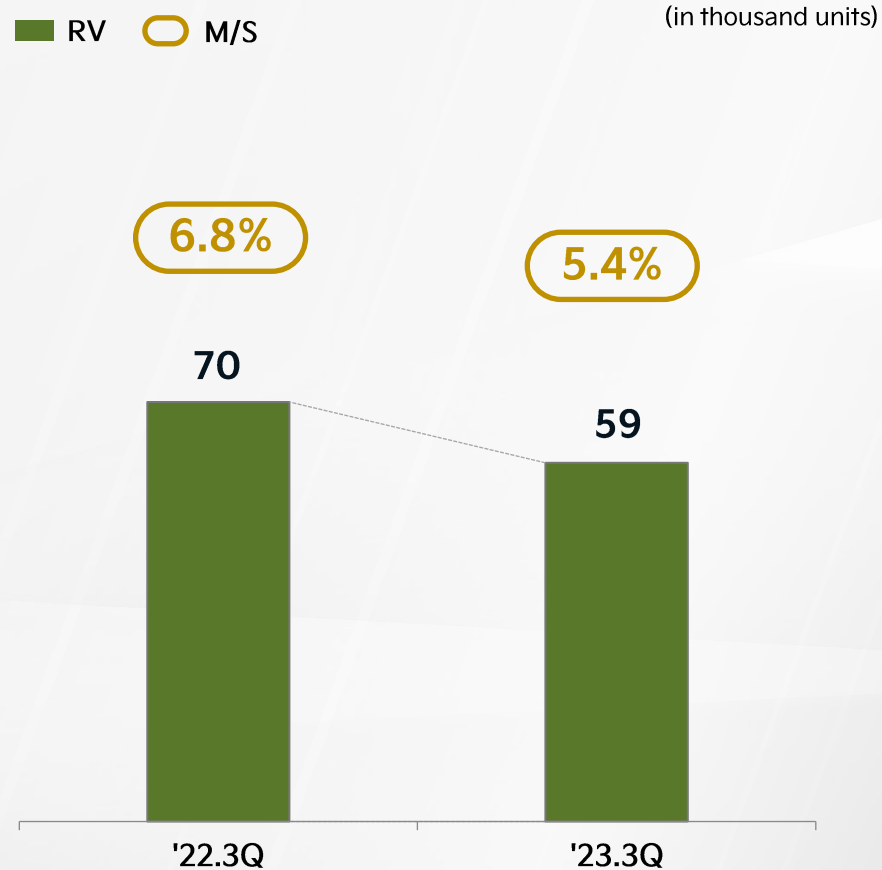
Q3 Results

- Despite a high base, focused on sales of key models (EV6, Sportage, Sorento)
- Led EV-focused sales with EV6 & Niro EV resulting in the growth of green car contribution
 - ['22 Actual] 37.6% → ['23 Target] 38.1%

Initiatives

- Marketing campaign (test drive) for successful launch of EV9 (Launch : Oct)
- Enhance EV accessibility with 'Kia Charge' service (from 20 to 25 countries in 2023) and 'Kia Flex' for new car subscription (initially launched in Germany in Dec 2022)

Sales & Market Share



※ M/S : Wholesale

Sales Summary

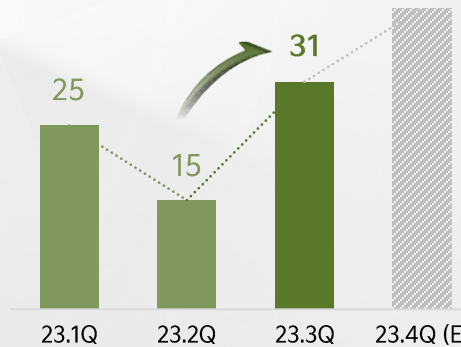
Industry +5.2%

[YoY]

Kia -15.6%

Seltos Sales Trend (wholesale)

(in thousand Units)



Competitiveness with PE Model



Model	Seltos PE
Launch	July 2023
Strategy	Price / Trim Competitiveness via Customer-centric features

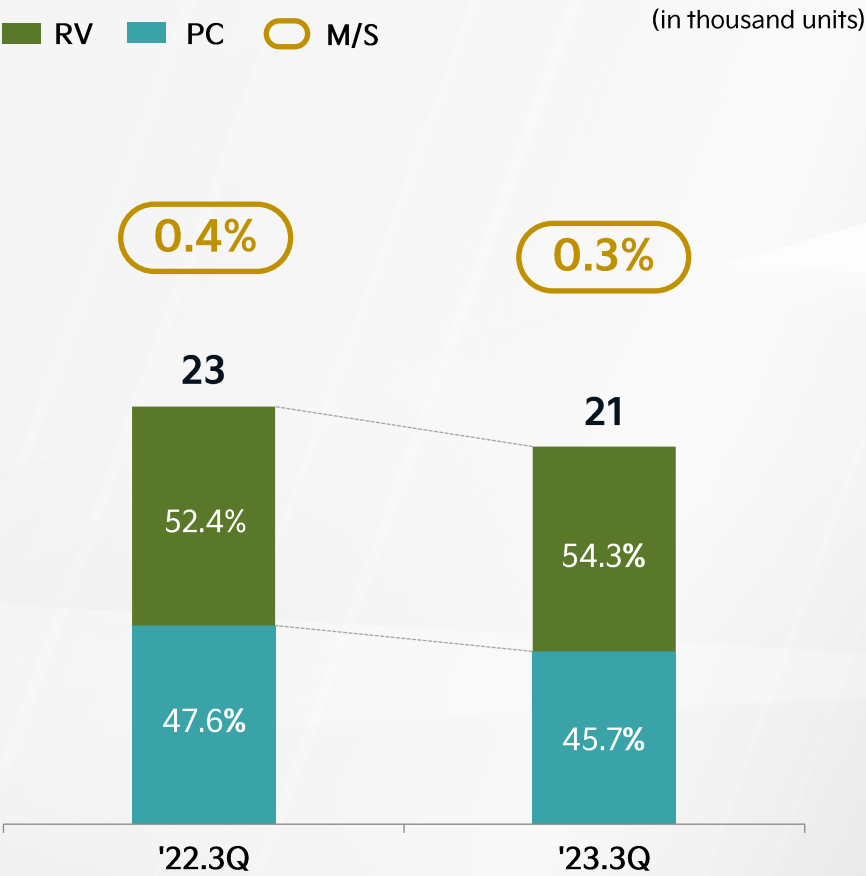
Q3 Results

- Slightly fell short in sales with new vehicle supplies from major OEMs
 - Successful launch of Seltos PE with sales of 10k units/month (QoQ +109%)
 - Optimized Seltos PE supply; reduced Sonet supply for B/out purpose

Initiatives

- Strengthen Seltos PE's price/trim competitiveness with new features (INR -60k less than base trim)
- Recover sales momentum with Sonet SAM model (sunroof option)
- Successfully launch Sonet PE model in December

Sales & Market Share



※ M/S : Wholesale

Sales Summary

Industry -2.0%

[YoY]

Kia -11.1%

Expansion of EV Line-up



Model	EV6	EV5 (C-SUV EV)
Launch	June 2023	November 2023
Dimension (L/W/H/WB)	4,680 / 1,880 / 1,550 / 2,900	4,610 / 1,865 / 1,680 / 2,750
Strategy	Halo effect with launch of high performance GT model	Launch C-SUV EV (volume segment) to drive EV volume

Q3 Results

- Lack of EV models in the growing EV-centric market and slow sales of ICEs caused sales decline
- Improved profitability with increased exports from Chinese plant (Q2 16k units → Q3 28k units)

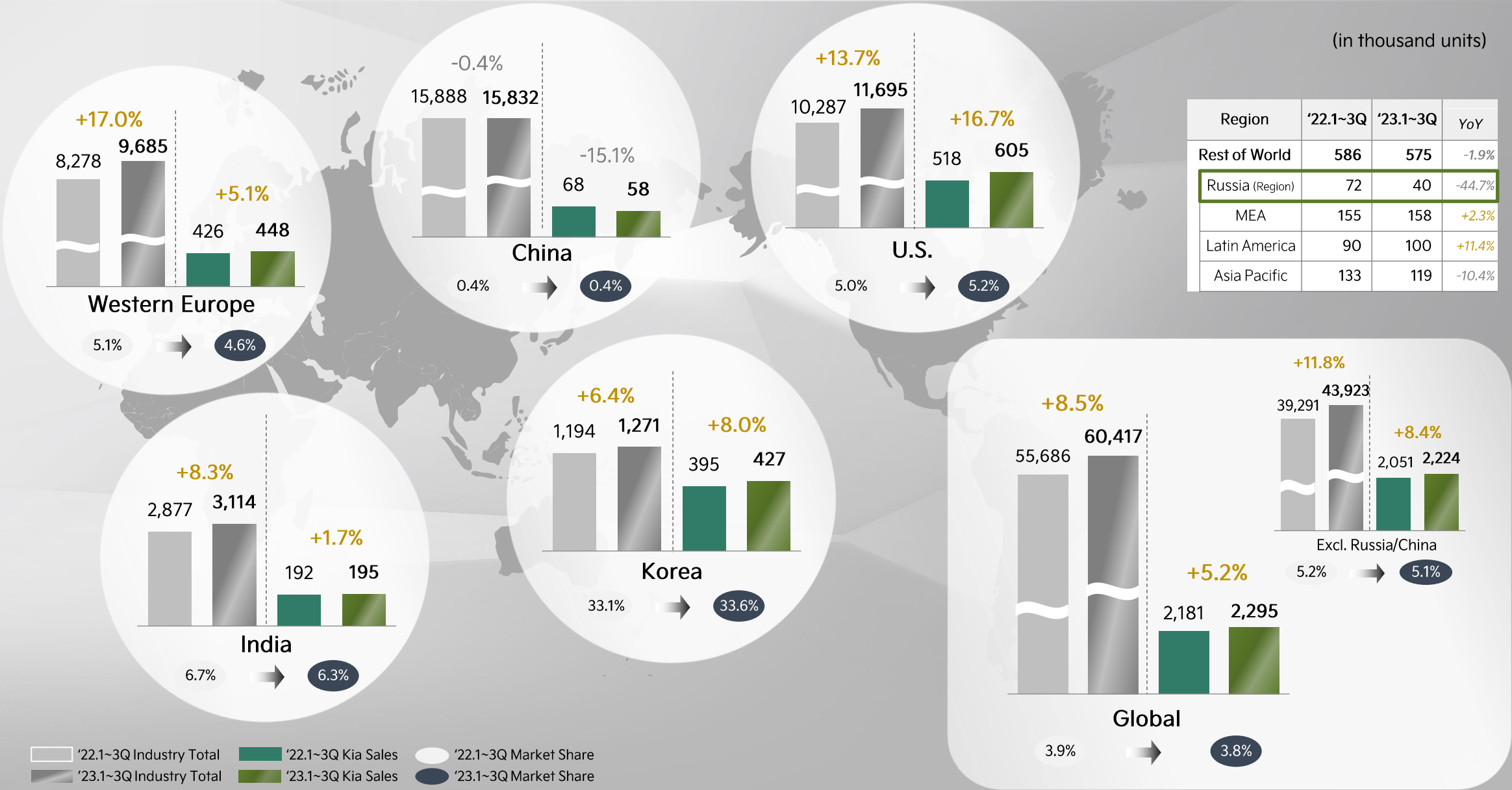
Initiatives

- Improve profitability and accelerate EV transition with global rollout of a dedicated EV model
 - EV transition with launch of EV5 (C-SUV EV) in November
 - Expand export models/markets to utilize idle capacity

Global Retail Sales (Q3 YTD)

(in thousand units)

Region	'22.1~3Q	'23.1~3Q	YoY
Rest of World	586	575	-1.9%
Russia (Region)	72	40	-44.7%
MEA	155	158	+2.3%
Latin America	90	100	+11.4%
Asia Pacific	133	119	-10.4%



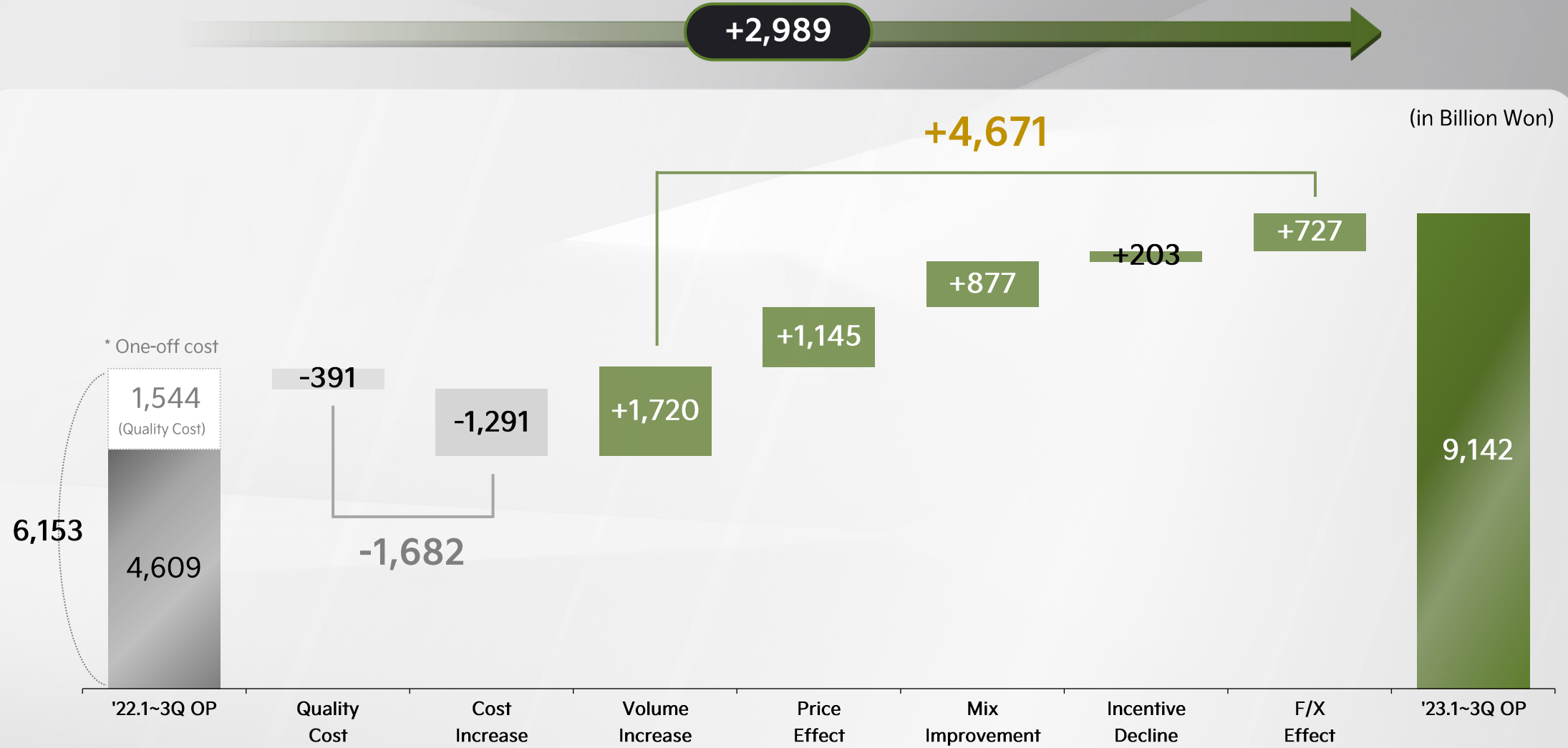
Consolidated Income Statement (Q3 YTD)

(in Billion Won)	'22.1~3Q	(% of sales)	'23.1~3Q	(% of sales)	YoY (%)
Sales Revenue	63,395	100%	75,480	100%	+19.1%
Cost of Sales	50,529	79.7%	58,181	77.1%	+15.1%
Gross Profit	12,866	20.3%	17,300	22.9%	+34.5%
SG&A	8,257	13.0%	8,158	10.8%	-1.2%
Operating Profit	4,609	7.3%	9,142	12.1%	+98.4%
Pre-tax Profit	4,872	7.7%	10,151	13.4%	+108.4%
Net Profit	3,372	5.3%	7,158	9.5%	+112.2%

※ Consolidated Sales Units : '22.1~3Q 2,035,867 units → '23.1~3Q 2,201,366 units (+165,499 units, +8.1%)

※ Average Currency Rate : USD/KRW '22.1~3Q KRW 1,269 → '23.1~3Q KRW 1,300 (+KRW 31 ↑, +2.5%), EUR/KRW : '22.1~3Q KRW 1,347 → '23.1~3Q KRW 1,409 (+KRW 62 ↑, +4.6%)

Operating Profit Analysis (Q3 YTD)

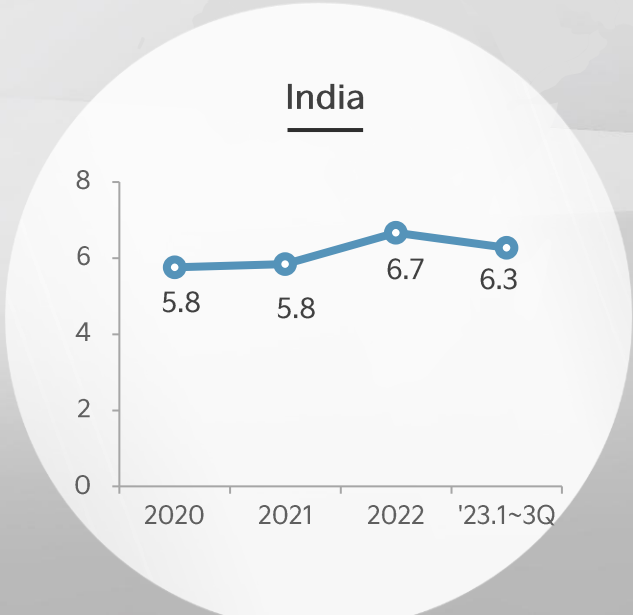
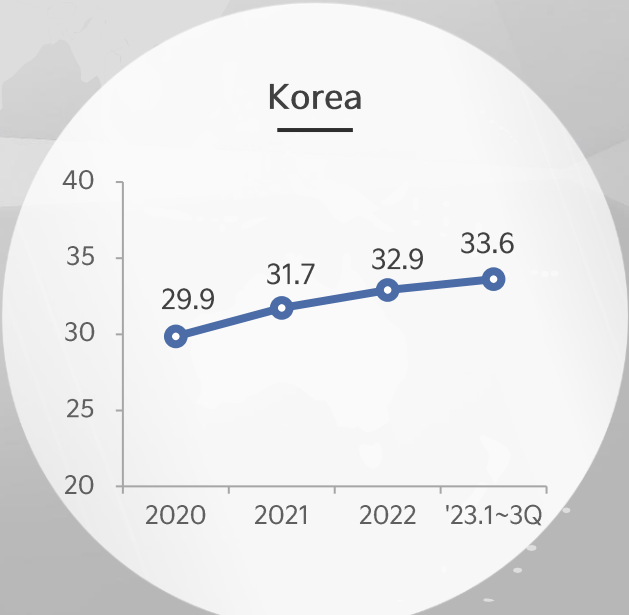
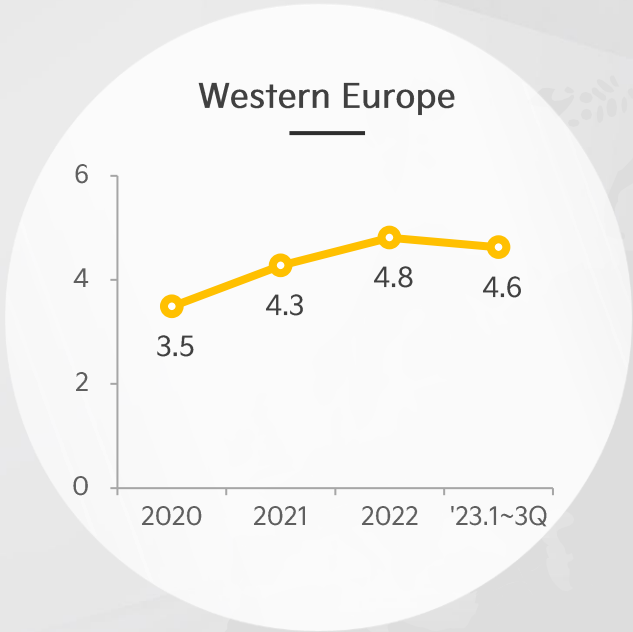
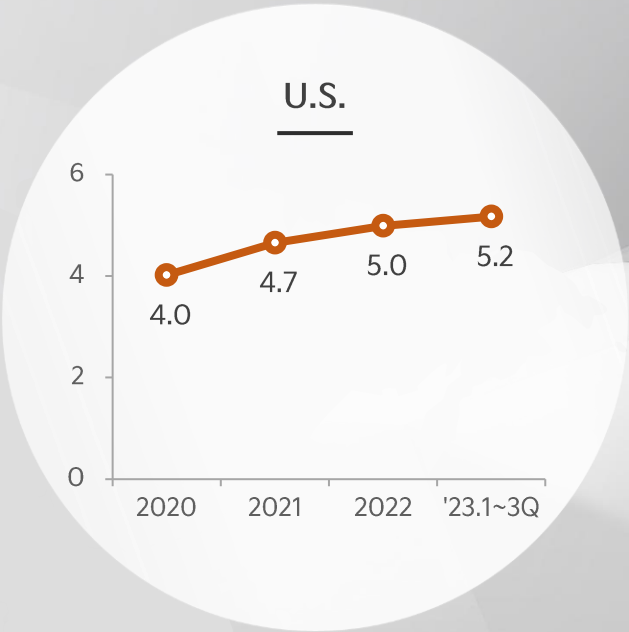
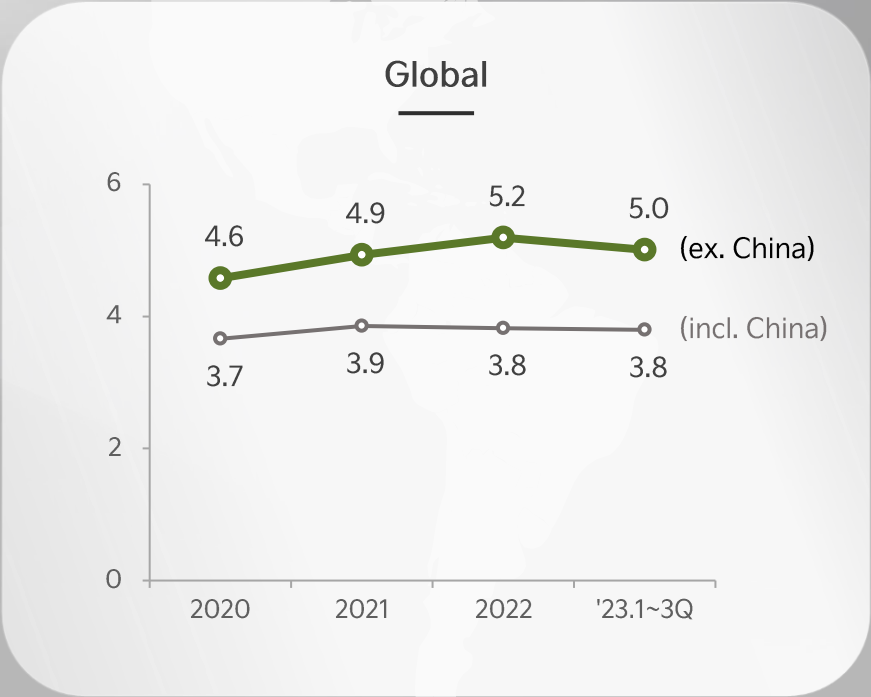


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Global Market Share Trend

(Unit : %)

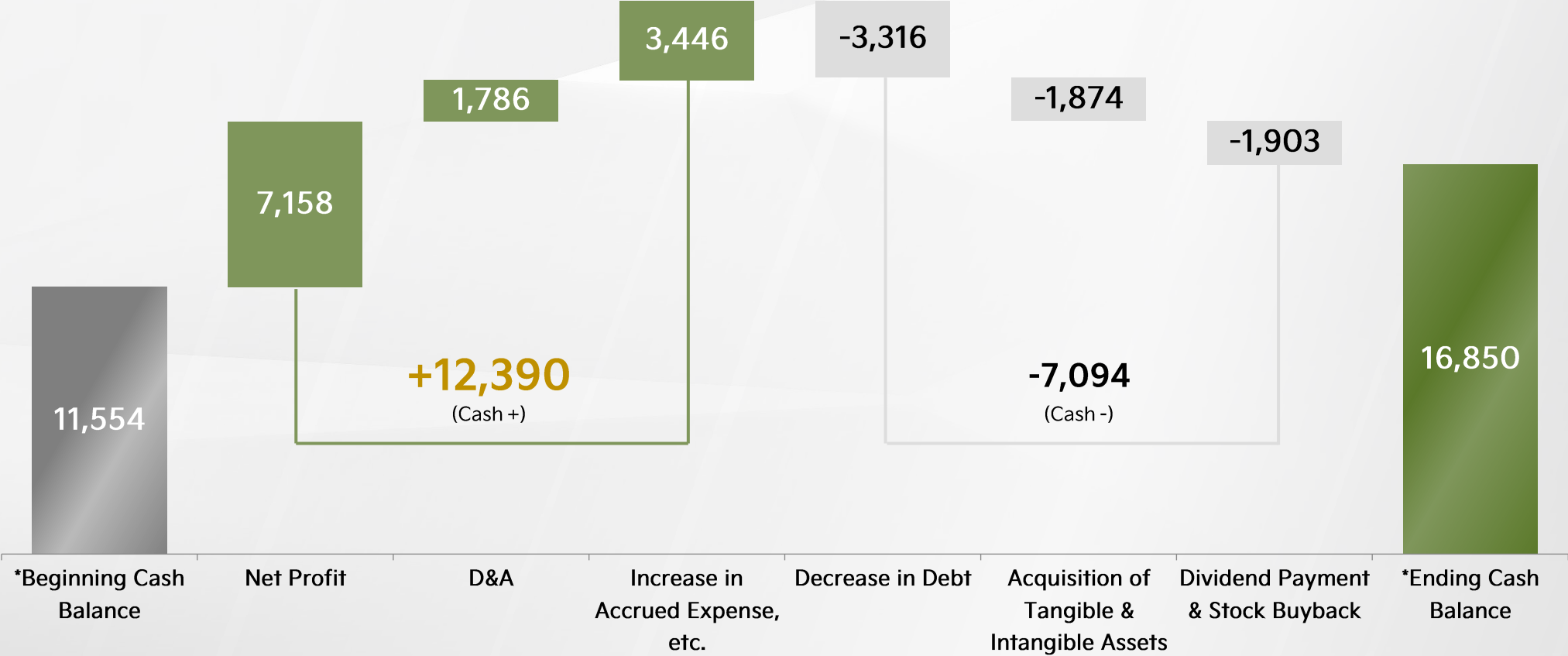
Rest of World	2020	2021	2022	'23.1~3Q
Russia (Region)	11.6	11.4	8.7	4.1
MEA	6.2	6.5	6.2	6.7
Latin America	2.5	3.0	3.3	3.5
Asia Pacific	3.0	3.5	3.5	3.3



Cash Flow Highlights



(in Billion Won)



* Beginning / Ending Cash Balance excludes ST financial instruments & ST Available-for-sales Financial Assets

Thank you.



Movement that inspires